

Message Text

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ACTION ARA-14

INFO OCT-01 NEA-11 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00

COME-00 DODE-00 EB-08 DOE-15 H-02 INR-10 INT-05

L-03 NSAE-00 NSC-05 OMB-01 PM-05 ICA-20 OES-07

SP-02 SS-15 STR-07 TRSE-00 ACDA-12 /151 W

-----090973 240420Z /16

R 231639Z MAY 78

FM AMEMBASSY NASSAU

TO SECSTATE WASHDC 1018

INFO AMEMBASSY TRIPOLI

UNCLAS NASSAU 1125

E.O. 11652: N/A

TAGS: ENRG, ECON, BF, US, LY

SUBJ: (LIBYAN) NATIONAL OIL COMPANY (NOC) DEBT DISPUTE WITH
GRAND BAHAMA PETROLEUM COMPANY (PETCO)

REFS: (A) 77 NASSAU 2009 (B) NASSAU 0357, PART SIX

1. LONG AND COMPLEX LEGAL ARGUMENTS OVER ALLEGED OIL DEBTS DUE NOC FROM PETCO AND PETCO'S COUNTER-CLAIMS FOR DAMAGES AGAINST NOC BEGAN IN THE BAHAMAS SUPREME COURT MAY 16, 1978 WITH JUSTICE HARVEY DA COSTA PRESIDING. NOC'S CLAIMS AGAINST PETCO TOTAL DOLS 136,957,659. 30 WITH AN ADDITIONAL DOLS 15,429,292 (THE INTEREST DUE AS OF MAY 15, 1978) FOR A TOTAL DEBT OF DOLS 152,386,951.30. PETCO'S DAMAGES COUNTER-CLAIM DAMAGES AGAINST NOC TOTAL DOLS 134,041,263. PRINCIPAL AMONG THE POINTS IN DISPUTE IS WHETHER NOC LEGALLY CANCELLED 1973 CONTRACTS BETWEEN ITSELF AND PETCO ON THE PRICE AND DELIVERY OF PETROLEUM AND PETCO'S REBUTTAL THAT 1973 CONTRACTS HAD NOT BEEN CANCELLED AND THAT THEY HAD NOT BEEN SUPERCEDED BY JANUARY 1974 CONTRACTS.

2. NOC IS REPRESENTED BY KENDAL ISAACS AND OSWALD ISAACS, ATTORNEYS OF ISAACS, JOHNSON AND COMPANY, WHILE PETCO IS UNCLASSIFIED

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REPRESENTED BY EUGENE DUPUCH, Q.C., AND ATTORNEY ORVILLE TURNQUEST OF DUPUCH AND TURNQUEST. SITTING IN ON THE PROCEEDINGS ARE SOLICITOR BRUCE BRODIE, FROM ENGLAND; JOHN MOWBRAY, Q.C. FROM ENGLAND; KEITH HIGHET, AN ATTORNEY FROM NEW YORK; OMAR MUNTASSEN, A LIBYAN CHAIRMAN OF NOC, AND AHMAD FERJANI, AN NOC SALES REPRESENTATIVE.

3. ARGUMENTS ON THE CASE ARE TO CONTINUE FOR ABOUT TWO WEEKS MORE, ENDING APPROXIMATELY JUNE 2, 1978. EMBASSY WILL ADVISE ON RESULTS OF THESE PROCEEDINGS.

4. FOR TRIPOLI: REF (B) - BAHAMAS PETROLEUM DEVELOPMENTS - THIS IS BEING AIRPOUCHED TO YOU FOR YOUR INFORMATION.
SCHWARTZ

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, DISPUTES, DEBTS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978NASSAU01125
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780218-0305
Format: TEL
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Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Reference: 77 NASSAU 2009, 78 NASSAU 357
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
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Review Release Date: N/A
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 2603459
Secure: OPEN
Status: NATIVE
Subject: (LIBYAN) NATIONAL OIL COMPANY (NOC) DEBT DISPUTE WITH GRAND BAHAMA PETROLEUM COMPANY (PETCO)
TAGS: ENRG, ECON, BF, US, LY, NOC, PETCO
To: STATE
Type: TE
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Review Markings:
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